

**The Behaviour of NGOs in Response to Exogenous Shocks: A Study of  
Local NGOs in the Philippines**

by

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## CERTIFICATE OF ORIGINAL AUTHORSHIP

I certify that the work in this thesis has not previously been submitted for a degree nor has it been submitted as part of requirements for a degree except as fully acknowledged within the text.

I also certify that the thesis has been written by me. Any help that I have received in my research work and the preparation of the thesis itself has been acknowledged. In addition, I certify that all information sources and literature used are indicated in the thesis.

Signature of Student:

A handwritten signature in black ink, appearing to read "J. C. Abba". The signature is written in a cursive style with a large initial "J" and "C".

Date: July 25, 2014

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# **The Behaviour of NGOs in Response to Exogenous Shocks: A Study of Local NGOs in the Philippines**

## **Abstract**

Since the late 1990s, Non-Government Organisations (NGOs) in the Philippines have faced changing donor policies. These changes were not only about their levels of funding but also about shifts in donor priorities, stricter monitoring and reporting requirements. Such changes trigger changes not only in the organisations themselves but also in the organisational field. Whether these changes are termed “shocks” or “jolts”, they have become common among civil society organisations in the Philippines. Using an inductive case study strategy in the tradition of grounded theory, this research examines the strategic behaviour of five Philippine NGOs.

With the analytical lens of institutional theory and complexity theory, this research shows that these NGOs recognised the importance of collective action to insulate their organisations from external shocks. They utilised their vast network of on ground volunteers and their existing networks with other NGOs. The rise of institutional entrepreneurs to harness social capital has changed the prevailing institutional logic and changed the organisational field. These actors’ subject positions and their tactical skills in framing facilitated their acquisition of legitimacy to initiate change. On the other hand, donor imposed conditionality has reconstructed the field allowing, for example, the institutionalisation of social capital arrangements. Diverging from institutional entrepreneurship theory that sees institutional change process as fiercely contested, the field-level changes noted in this research have been politically uncontested. Moreover, emergent self-organisation was evident, particularly in the form of collaboration

between the NGOs and the community-based people's organisations. The NGOs also displayed emergent innovative, opportunistic behaviours.

The NGOs crafted their responses well. Although their ingenuity arose out of the instability in their external environment, it was driven by a shared ideology. Ideology was invoked during periods of crisis. It provided the moral compass on whether to resist or negotiate donor conditions. Seemingly having asymmetrical relations with their donors, in that they were dependent on these donors for funding, they were nevertheless accorded an equal footing.

This research articulates a discursive form of power in that power was constructed as organisational actors went along articulating their "truth" – their prevailing discourse. Their discourse was facilitated by their sophisticated understanding of what was going on in their environment. They were politically and strategically astute. Moreover, the NGOs' relationship with their donors was fluid, positive, productive and enabling. The NGOs were free agents that could decide to respond innovatively to donor conditionality. They did not simply follow the money.

## Contents

Chapter 1. Introduction .....	1
1.1 Background of the study.....	1
1.2 Theorising of shocks in the case of non-government organisations (NGOs) .....	2
1.3 Field site .....	4
1.4 Main research question .....	6
1.4.1 Some temporary constructs .....	6
1.4.2 Why changes in donor policy matters.....	6
1.5 Expected contribution to theory and practice .....	7
Chapter 2. Philippine Nongovernment Organisations .....	8
2.1. The Philippines in context.....	8
2.2 The emergence of civil society organisations .....	9
2.2.1 Under the Spanish colonial rule .....	9
2.2.2 Social movements in the 19th century .....	10
2.2.3 Civil society during the American colonial rule .....	10
2.2.4 Civil society and the Marcos regime.....	11
2.2.6 The dynamism of Philippine NGOs.....	16
2.3 The numbers: How many are they and how much money? .....	19
2.4 Who are the funders? .....	21
2.4.1 Modes of funding NGOs.....	22
2.5 The legal framework in the Philippines .....	23
Chapter 3. Theoretical Framework .....	26
3.1 Complexity Theory .....	29
3.1.1 Organisations as complex adaptive systems .....	30
3.1.2 Self-organisation .....	31
3.1.3 Edge of chaos: Innovation occurs .....	32
3.1.4 Implications of complexity theory .....	34
3.2. Institutional entrepreneurship .....	35
3.2.1 The precursor: Institutional theory.....	35
3.3 The basic tenets of institutional entrepreneurship.....	39
3.3.1 The enablers to institutional entrepreneurship .....	41
Chapter 4. Review of Related Literature .....	43
4.1 Institutional entrepreneurship .....	43
4.1.1 Institutional entrepreneurship in this research .....	44
4.1.2 Institutions as social structures .....	45
4.2 Conditions facilitating institutional entrepreneurship.....	45



4.2.1 Field-level enabling conditions .....	46
4.2.2 Institutional entrepreneurs and their subject and social position .....	53
4.2.3 The process and practice of institutional entrepreneurship.....	56
4.3 Complexity theory in organisations .....	65
4.3.1 Complexity theory in this research .....	66
4.3.2 Organisations as complex adaptive systems .....	66
Chapter 5. Research Methodology.....	75
5.1 Ontological assumptions: interpretive-constructivist.....	75
5.2 The epistemology: Anti-positivist.....	77
5.3 Research methods .....	78
5.3.1 Qualitative inquiry .....	78
5.3.2 The use of case study as the qualitative research strategy .....	79
5.3.4 Additional information for each case .....	85
5.4 Case selection: theoretical sampling .....	85
5.5 An initial definition of the research problem and some temporary constructs .	89
5.6 Data from the donors.....	91
5.7 Data Gathering in the Philippines .....	93
5.8 Approach to data analysis .....	95
5.8.1 Validity and generalizability .....	97
5.9 Ethical Considerations .....	98
Chapter 6. The Case Studies .....	102
6.1 Case Study 1 -The Urban Poor People's Organisation .....	102
6.1.1 UPPO's history .....	103
6.1.2 Current Programs .....	108
6.1.3 Organisational structure: past and current .....	111
6.1.4 Self-evaluation after Marcos: Corruption and infighting.....	115
6.1.5 The sustainability of UPPO.....	118
6.1.6 Trends: Thematic programming.....	125
6.1.7 Reality check in reporting requirements .....	127
6.1.8 Donor conditions and relations .....	129
6.1.9 Case Analysis .....	132
6.2 Case study 2 -Countryside Development Movement .....	136
6.2.1 Mission and vision .....	137
6.2.3 Structure of the organisation: Present times .....	139
6.2.4 The organisational structure in early years .....	140
6.2.5 Volunteers and funding in the initial years .....	142
6.2.6 Experimentations in the 1950s .....	143

6.2.7 1960s -1970s: Period of frenetic activity .....	144
6.2.8 The decline in funding in the 1990s and beyond .....	154
6.2.9 CDM's strategies.....	156
6.2.10 How CDM views funding constraints.....	161
6.2.11 Case Analysis .....	164
6.2.12 The importance of ideology .....	166
6.2.13 The combination of power, ideology and institutional actors.....	167
6.2.14 Sophisticated understanding of the environment .....	168
6.3 Case study 3 - Women's Health Incorporated .....	170
6.3.1 WHI's beginnings .....	170
6.3.2 Service expansion and UNFPA's role .....	175
6.3.3 The real crisis: Packard's exit .....	178
6.3.4 Competing for funds .....	180
6.3.5 Reporting and monitoring by donors .....	183
6.3.6 Tardiness in reporting .....	183
6.3.7 Program termination: The need for transition .....	184
6.3.8 Resisting donor conditions.....	185
6.3.9 Other strategies .....	189
6.3.10 The lack of support from the Government.....	190
6.3.11 Case Analysis .....	190
6.4 Case study 4 - KL Foundation, Inc. ....	197
6.4.1 KL history .....	197
6.4.2 KL programs .....	198
6.4.3 The presence of an institutional funder .....	200
6.4.4 Problem with different calendar years .....	202
6.4.5 Changes in reporting .....	204
6.4.6 "Very bloody" project proposal making .....	207
6.4.7 Decline in the level of funding.....	208
6.4.8 Transparency and constant communication .....	213
6.4.9 Case analysis .....	214
6.5 Chapter 6- Case study 5 SAP .....	220
6.5.1 Services and branches .....	220
6.5.2 SAP's Partners and networks .....	222
6.5.3. Organisational upheavals .....	223
6.5.4 On donor criteria and relationships .....	225
6.5.5 Organisational response .....	226
6.5.6 Organisational challenges .....	231

6.5.7 Maintaining integrity.....	233
6.5.8 The future of the organisation .....	234
6.5.9 Understanding of donors' situation.....	236
6.5.10 Case analysis of SAP .....	236
7.1 The interview context.....	239
7.2 Changes in donor policy .....	242
7.3 Organisational imperatives .....	244
7.3.1 Social capital .....	246
7.3.2. Opportunistic behaviour.....	253
7.3.3. Social entrepreneurship and fund-raising .....	254
7.4 Power relations.....	255
7.4.1 Sophisticated understanding of the environment .....	256
7.4.2 Symmetry in donor relations.....	257
7.4.3 Fluidity of power.....	261
7.4.4 Ideology as an organisational resource .....	262
7.4.5 Power as a moral tale: competence and good governance .....	264
7.6 Organisational shock.....	268
Chapter 8. Donors' Perspectives .....	269
8.1 The interview context.....	269
8.2.1 Changes in funding levels .....	270
8.2.2 Change in priorities .....	271
8.2.3. Stricter criteria on proposals and reporting .....	274
8.3. Late project reports .....	282
8.4 Challenges ahead.....	284
Chapter 9. Discussion and Conclusion .....	286
9.1 Harnessing social capital.....	286
9.1.1 Actors' subject position .....	289
9.1.2 Framing as a tactic .....	292
9.1.3 NGO consortium: Isomorphic change and institutional logic .....	301
9.1.4 Donor's reconstruction of the field .....	302
9.1.5 On institutional actors .....	304
9.2.1 NGO-PO collaboration: Self-organisation and emergence from bottom-up.....	306
9.3 A note on power relations between donors and the NGOs .....	308
9.4 Another word on social capital: Moral probity .....	311
9.5 Conclusion .....	312
9.6 Further Research .....	314

Appendices.....	316
Bibliography.....	319